was meant for the purchase of sophisticated equipment by the DOT?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO): (a) to (c) It is expected that some amount out of the World Bank loan of $345 million for the 9th Telecom Project will remain unutilised. Methods for utilising the balance amount are under discussion with the Department of Telecommunications.

(d) Under-utilisation of the World Bank loan for this project is due to lower bid prices than originally estimated and the domestic procurement of certain items since developed indigenously.

SHRI BIR BHADRA PRATAP SINGH: Sir, is it a fact... (*Interruptions*) Sir, is it a fact that the Govenrment is going ahead with the setting up of a high-powered Telecom Commission to take charge of all the matters relating to telecomunications in the country? (*Interruptions*) Is it also a fact that the Department of Telecommunications has not been able to utilise the full amount of World Bank loan and had to surrender 72 million dollars out of 345 million dollars of World Bank loan?

(*Interruptions*)

SHRI EDUARDO FALEIRO: Sir, (*Interruptions*)

SHRI BIR BHADRA PRATAP SINGH: I would like to know whether the surrender of this huge amount has been due to lack of coordination between the D.O.T., D.O.E. and the Ministry of Finance.

(*Interruptions*)

SHRI EDUARDO FALEIRO: Sir, (*Interruptions*)

MR. CHAIRMAN: Question Hour is over.

WRITTEN ANSWERS TO QUESTIONS

Floating of NRI Bonds by SBI

*301. SHRI PRAMOD MAHAJAN: SHRI SHANKER SINH VAGHELA:

Will the Minister of FINANCE be pleased to state:

(a) what are the financial results derived through the floating of NRI Bonds by the State Bank of India;

(b) how do these results compare with (i) the Foreign Currency Non-Resident Deposit Scheme and (ii) the Non-Resident Rupees Account Scheme; and

(c) whether the poor performance under the NRI Bond Scheme is due to the fact that these Bonds could not be repatriated in foreign currency, although the interest rate offered was higher by one per cent than that on three year FCNR Deposit Scheme; if so, what are the facts thereof?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO): (a) Upto 8th March, 1989, a sum of US $87.613 million equivalent to Rs. 131.90 crores has been credited to the Reserve Bank of India Account with Federal Reserve Bank, New York.

(b) and (c) It would not be appropriate to compare NRI Bonds with FCNR and NRE Schemes as the latter have a totally different structure. In the light of criteria devised for the NRI Bonds Scheme namely its non-repatriable nature and a defined time-window for investment, the performance of the Scheme cannot be considered to be poor.

West German Development Aid

302. SHRI K. V. THANGKABALU: Will the Minister of FINANCE be pleased to state:

(a) whether India will be a major recipient of West German Development Aid during 1989;

(b) if so, what are the details of the aid to be received.

(c) what are the names of developmental programmes where such aid is proposed to be utilised, State-wise; and

(d) what are the conditions of repayment of such aid?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO): (a) Yes, Sir.

(b) and (c) During the Indo-German Consultation on Development Cooperation in January, 1989, the FRG authorities have tentatively indicated financial assistance (soft loan) of DM 425 million for the year 1989. Project-wise details have not been finalised.

(d) The soft loan carries interest @ 0.75 per cent per annum with repayment period of 40 years including 10 years grace period. Commitment charges are also payable to FRG @ 0.25 per cent per annum on the undisbursed amount.

Production of Tea and Coffee

*303. SHRI KAMAL MORARKA: Will the Minister of COMMERCE be pleased to state:

(a) what has been the production of tea and coffee during 1988;

(b) what are the projections for 1989;

(c) whether any survey has been conducted with regard to the production and exports of the above two commodities; and

(d) if so, what are the salient features of the survey?

THE MINISTER OF COMMERCE (SHRI DINESH SINGH): (a) Estimated production of tea during 1988 reached an all time high level of 700.28 M. Kgs.

The production of coffee during the season 1988-89 (July-June) is estimated to be of a record level of approximately 2 lakh tonnes.

(b) Attempts will be made to surpass the production levels achieved during 1988-89 in the both Tea and Coffee.

(c) and (d) Tea Board undertakes techno-economic surveys of tea producing area and of export markets. Production schemes as well as Promotional Campaign have been formulated keeping in mind these surveys. However while finalising the Plans and Programmes, the view of leading Tea Associations are taken into consideration.

In the case of Coffee the study has suggested a perspective plan (by 2000 AD) a production target of about 2,15,000 tonnes and an export target of 1,30,000 tonnes. One of the ongoing plan schemes of Coffee Board is a project for survey in non-traditional areas (other than North Eastern Region) under which potential coffee growing areas in non-traditional regions are identified.

Training to Sikh terrorists in Pakistan

@*304. SHRI MURLIDHAR CHANDRAKANT BHANDARE: SHRI MAHENDRA PRASAD:

Will the Minister of HOME AFFAIRS be pleased to state:

(a) whether Government's attention has been drawn to the news-item which appeared in the Hindustan Times of January 16, 1989, to the effect that more than 10,000 Indian Sikh terrorists had been trained in Pakistan during the Zia-regime; and

(b) if so, what is Government's information in this regard and to what

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@Previously Starred Question 184 transferred from the 8th March, 1989.